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CADDO PARISH FIRE DISTRICT NO. 8

Annual Financial Statements

**As of December 31, 2009
And for the Year Then Ended**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

8/11/10

CADDO PARISH FIRE DISTRICT NO. 8

Annual Financial Statements
As of and for the Year Ended December 31, 2009
With Supplemental Information Schedules

CONTENTS

	Statement	Page
Transmittal		4
Required Supplemental Information (Part 1) Management's Discussion and Analysis		5
Independent Auditor's Report		10
<u>Basic Financial Statements</u>		
Government-Wide Financial Statements:		
Statement of Net Assets	A	13
Statement of Activities	B	14
Fund Financial Statements:		
Government Funds:		
Balance Sheet	C	15
Reconciliation of Fund Balance	D	16
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	17
Reconciliation of Net Changes in Fund Balance	F	18
Notes to the Financial Statements		20

Table of Contents (Contd.)
Caddo Parish Fire District No. 8

	Schedules	Pages
Required Supplemental Information (Part II)		
Budget Comparison Schedules	1	27
Schedule of Compensation Paid to Elected Officials	2	28
<u>Other Reports</u>		
Independent Auditor's Report on Internal Control Over Financial Reporting Based and Compliance and Other Matters on an Audit of the Basic Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		30
Status of Prior Audit Findings		32
Current Year Findings, Recommendations, and Corrective Action Plan		33



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May 28, 2010

Office of Legislative Auditor
Attention: Ms. Suzanne Elliott
1600 North Third
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Ms. Elliott:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Caddo Parish Fire District No. 8, as of and for the fiscal year ended December 31, 2009. This report includes all funds under the control and oversight of the Caddo Parish Fire District No. 8.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States.

Agee & Agee, PC

Enclosure

CADDO PARISH FIRE DISTRICT NO. 8

1007 South Spruce Street
Vivian, LA 71082

Management Discussion and Analysis (Unaudited)

As of and for the Year Ended December 31, 2009

Our discussion and analysis of Caddo Parish Fire District No. 8 (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2009. Please read it in conjunction with the District's financial statements.

FINANCIAL HIGHLIGHTS

For 2009, the total revenue for the District was \$520,197 compared to \$608,117 in 2008.

During the years ended December 31, 2009 and 2008 the District had total expenses, excluding depreciation, of \$432,503 and \$425,327, respectively.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The District was determined to be a component unit of the Caddo Parish Commission. The Commission is financially accountable for the District because it appoints the Board of Commissioners and has the ability to impose its will on them. The accompanying financial statements present information only on the funds maintained by the District.

REPORTING THE CADDO PARISH FIRE DISTRICT NO. 8 AS A WHOLE

One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the funds maintained by the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These two statements report the

District's net assets and changes in them. You can think of the District's net assets – the difference between assets and liabilities – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the District's property tax base, to assess, the overall health of the District. In the Statement of Net Assets and the Statement of Activities, we record the funds maintained by the District as governmental activities:

Governmental Activities

All of the expenses paid from the funds maintained by the District are reported here which consists primarily of personal services, materials and supplies, fuel, repairs and maintenance, salaries, and other program services. Ad-valorem taxes finance most of these activities.

REPORTING THE DISTRICT'S MOST SIGNIFICANT FUND

Our analysis of the major funds maintained by the District begins on page 13. The fund financial statements provide detailed information about the most significant funds maintained by the District as a whole. The District's governmental funds use the following accounting approaches:

Governmental Funds

All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statements provide a detail short-term view of the District's general governmental operations and the expenses paid from those funds. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance certain District expenses. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliation.

THE CADDO PARISH FIRE DISTRICT NO. 8 AS A WHOLE

Following is the summary information from the statement of net assets (Table 1) and the statement of activities (Table 2) comparing amounts as of December 31, 2009 and 2008:

Table 1
Net Assets

	2009	2008
Assets		
Cash and cash equivalents	\$ 28,402	\$ 51,546
Time deposits	167,764	161,427
Taxes receivable, net	519,316	516,917
Prepaid expenses	1,815	7,427
Capital assets, net	1,128,427	1,272,690
Total Assets	1,845,724	2,010,007
Liabilities		
Accounts payable	12,348	6,813
Payroll withholding payable	3,952	323
Retirement payable	5,975	2,589
Capital lease payable	716,060	802,477
Total Liabilities	738,335	812,202
Net Assets		
Invested in capital assets	1,128,427	1,272,690
Unrestricted	(21,038)	(74,885)
Total Net Assets	\$ 1,107,389	\$ 1,197,805

Table 2
Change in Net Assets

	2009	2008
Revenues		
Ad valorem taxes	\$ 473,681	\$ 489,508
State fire insurance rebate	29,545	28,909
State revenue sharing	3,843	3,770
Grant revenue	4,731	4,031
Miscellaneous	139	35,781
Interest and investment	8,258	46,118
Total revenues	520,197	608,117
Expenses		
General government	610,613	603,725
Increase (decrease) in net assets	\$ (90,416)	\$ 4,392

The net assets of the District's governmental activities decreased by a total of \$90,416. Unrestricted net assets, the part of net assets that can be used to finance the District expenses without constraints or other legal requirements, decreased from a year ago, from \$1,197,805 at December 31, 2008 to \$1,107,389 at December 31, 2009.

THE DISTRICT FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 15) reported a combined fund balance of \$695,022, which is lower than last year's fund balance of \$727,592.

The primary reasons for the excess are:

- General fund expenditures exceeded general fund revenues by \$32,570.

General Fund Budgetary Highlights

The District adopted a budget for its General Fund for the year ended December 31, 2009. As reflected in the supplementary information, there were amendments to the budget during the year. The District's budgetary comparison is presented as required supplementary information.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Caddo Parish Fire District No. 8 and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Caddo Parish Fire District No. 8 at (318) 375-3233.

Whitlow Giles
Board Chairman

AGEE & AGEE, P.C.

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May 28, 2010

Board of Commissioners
Caddo Parish Fire District No. 8
Vivian, Louisiana

Independent Auditors' Report

We have audited the component unit financial statements of Caddo Parish Fire District No. 8 (the "District"), a component unit of the Caddo Parish Commission, as of and for the year ended December 31, 2009, as listed in the table of contents. These component unit financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the component unit financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall component unit financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2009, and the results of its operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information are not a required part of the basis financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 28, 2010 on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the result of our audit.

A handwritten signature in cursive script that reads "Agee & Agee, P.C.".

Agee & Agee, PC

Basic Financial Statements

Caddo Parish Fire District No. 8

**Statement of Net Assets
December 31, 2009**

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 28,402
Time deposits	167,764
Ad-valorem taxes receivable, net	519,316
Prepaid expenses	1,815
Capital assets, net of accumulated depreciation	<u>1,128,427</u>
Total Assets	<u>1,845,724</u>
Liabilities	
Accounts payable	12,348
Payroll taxes payable	3,952
Retirement payable	5,975
Capital lease obligation	<u>716,060</u>
Total Liabilities	<u>738,335</u>
Net Assets	
Invested in capital assets, net of related debt	1,128,427
Unrestricted	<u>(21,038)</u>
Total Net Assets	<u>\$1,107,389</u>

The accompanying notes are an integral part of this statement.

Caddo Parish Fire District No. 8

**Statement of Activities
For the Year Ended December 31, 2009**

	Program Expenses	Program Revenues	Net Revenues (Expenses) and Changes in Net Assets
			Total
Governmental Activities:			
Public safety	\$ 610,613	\$ -	\$ (610,613)
Total Governmental Activities	\$ 610,613	\$ -	\$ (610,613)
General Revenue:			
Taxes			473,681
State fire insurance rebate			29,545
State revenue sharing			3,843
Interest earned			8,258
Grant income			4,731
Miscellaneous			139
Total General Revenue			520,197
Change in Net Assets			(90,416)
Net Assets, beginning			1,197,805
Net Assets, ending			\$ 1,107,389

The accompanying notes are an integral part of this statement.

Caddo Parish Fire District No. 8

**Balance Sheet
Governmental Fund
December 31, 2009**

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 28,402
Time deposits	167,764
Ad-valorem taxes receivable, net	519,316
Prepaid expenses	<u>1,815</u>
Total Assets	<u>\$ 717,297</u>
Liabilities	
Accounts payable	\$ 12,348
Payroll taxes payable	3,952
Retirement payable	<u>5,975</u>
Total Liabilities	<u>22,275</u>
Fund Balance	
Unrestricted	<u>695,022</u>
Total Fund Balance	<u>695,022</u>
Total Liabilities and Fund Balance	<u>\$ 717,297</u>

The accompanying notes are an integral part of this statement.

Caddo Parish Fire District No. 8

**Reconciliation of Fund Balance on the Balance Sheet
For the Governmental Fund to the Net Assets of
Governmental Activities on the Statement of Net Assets
December 31, 2009**

Fund Balance – Governmental Fund	\$	695,022
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Amounts reported for governmental activities in
the statement of net assets are different because:

Capital assets used in governmental activities
are not resources and therefore are not
reported in the fund:

Cost of capital assets at December 31, 2009	2,665,268
Accumulated depreciation as of December 31, 2009:	(1,536,841)
Buildings	
Vehicles	
Equipment and furniture	

Certain liabilities are not reported in this
fund financial statement because they are
not due and payable, but they are presented
in the statement of net assets.

(716,060)

Net Assets of Governmental Activities	\$	<u>1,107,389</u>
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The accompanying notes are an integral part of this statement.

Caddo Parish Fire District No. 8

**Statement of Revenues, Expenditures and
Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2009**

	<u>General Fund</u>
Revenues	
Ad-valorem taxes and service fees	\$ 473,681
Intergovernmental revenues:	
State fire insurance rebate	29,545
State revenue sharing	3,843
Grant income	4,731
Interest earnings	8,258
Other	139
Total Revenues	<u>520,197</u>
Expenditures	
Public safety – fire protection	432,503
Capital outlay	120,264
Total Expenditures	<u>552,767</u>
Excess (Deficiency) of Revenues over Expenditures	(32,570)
Other Financing Sources (Uses)	
Long term debt issued	-
Total Other Financing Sources (Uses)	<u>-</u>
Net Change in Fund Balance	(32,570)
Fund Balance, Beginning	<u>727,592</u>
Fund Balance, Ending	<u>\$ 695,022</u>

The accompanying notes are an integral part of this statement.

Caddo Parish Fire District No. 8

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balance of Governmental
Fund to the Statement of Activities
For the Year Ended December 31, 2009**

Net Change in Fund Balance – Governmental Fund \$ (32,570)

Amount reported for governmental activities in the statement
of activities are different because:

Proceeds from capital lease obligations provide current
financial resources and are reported in this fund financial
statement, but they are presented as liabilities in the
statement of net assets (including interest). (1,815)

Governmental funds report capital outlays as expenditures.
However, in the statement of activities the cost of these
activities is allocated over their estimated useful lives and
reported as depreciation expense. The amount by which
capital outlays (\$122,079) exceeded depreciation
(\$178,110) in the current period. (56,031)

Change in Net Assets of Governmental Activities \$ (90,416)

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

Caddo Parish Fire District No. 8

Notes to the Financial Statements December 31, 2009

INTRODUCTION

The Caddo Parish Fire District No. 8 (the "District") is a component unit of Caddo Parish, Louisiana. The District is governed by a Board of six members who serve without compensation.

The District provides fire and emergency services for the citizens and municipalities within the District. The District currently employs six employees and has in excess of 60 volunteers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 14:514 and to the guides set forth in the Louisiana Governmental Audit Guide, and to the AICPA Industry Audit Guide, Audits of State and Local Governmental Units. The more significant of the District's accounting policies are described below.

B. REPORTING ENTITY

Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification) established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Codification section 2100, the District includes all funds that are *within its oversight responsibility*. The District is a component unit of the Caddo Parish Commission, the financial reporting entity. The Commission is financially accountable for the district because it appoints a voting majority board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Commission, the general governmental services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Caddo Parish Fire District No. 8

Notes to the Financial Statements December 31, 2009

C. BASIC FINANCIAL STATEMENTS

Government-Wide Statements

The District financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District net assets are reported in two parts – invested in capital assets and unrestricted.

The governmental-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues that are directly associated with the function. The net cost – by function – is normally covered by general revenues.

Fund Financial Statements

The financial transactions of the District are recorded in individual funds in the fund financial statements. A fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The District has one fund, a general fund. The general fund is the general operating funds of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

The emphasis in fund financial statements is on the major funds in the governmental category. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or combined categories) for the determination of major funds. The District's governmental fund is considered a major fund.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Government-Wide Financial Statements

The governmental funds in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Caddo Parish Fire District No. 8

Notes to the Financial Statements December 31, 2009

The revenues of the District consist primarily of property taxes. Property taxes are billed and generally collected within the fiscal year in which the taxes are levied. Interest income is recorded as it is earned. Donations and inter-governmental revenues are recorded when they are received due to the lack of measurability prior to that date.

Fund Financial Statements

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis, revenue is recorded when it is susceptible to accrual; that is, when it is both measurable and available. The District considers amounts collectible within 60 days after year-end to be available for purposes of the above definition. Expenditures are recorded when incurred. Depreciation is not recognized in the governmental fund financial statements.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. The District considers time deposits and those investments with maturities of 90 days or less as cash equivalents. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. PREPAID ITEMS

Items paid in the current year benefiting future periods are treated as assets.

G. ACCOUNTS RECEIVABLE

Uncollectible amounts due for ad valorem taxes are recognized using the allowance method. Historical trends reflect that uncollectible receivables are immaterial in amount. As such, all receivables are considered collectible and no allowance for uncollectible receivables has been included in the financial statement.

H. CAPITAL ASSETS

Fixed assets of the District are included on the balance sheet of the fund at cost. The District capitalizes additions, improvements, and other capital outlays that significantly extend the useful life of previously capitalized assets. Cost incurred for repairs and maintenance is treated as period costs and, as such, is expensed as incurred.

Caddo Parish Fire District No. 8

Notes to the Financial Statements December 31, 2009

Depreciation on all assets is provided on the straight-line method over the following estimated useful lives:

Buildings and improvements	40 years
Furniture, fixtures and office equipment	5 – 10 years
Fire trucks and vehicles	15 years
Equipment	10 years

I. BUDGETS

The District adopts an annual budget on a basis consistent with GAAP. Proposed budgets are presented to the District's Board of Commissioners for review and approval. Budgets are adopted in accordance with Local Government Budget Law. Once adopted, budgets may be amended, as necessary, by the District. All appropriations lapse at year end.

Formal budget integration is employed as a management control device. Budget amounts included in the accompanying financial statements include the original budget amounts and all subsequent amendments, if any.

J. COMPENSATED ABSENCES

The District has not adopted a leave policy regarding sick or vacation time. As such, no accrual for uncompensated absences was made in these financial statements.

K. USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

2. AD VALOREM TAXES

For the year ended December 31, 2009, taxes of 16.00 mills were levied on property with assessed valuations totaling \$29,615,250. Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien. The District also collects a service fee of \$75.00 per structure.

Caddo Parish Fire District No. 8

Notes to the Financial Statements December 31, 2009

3. CASH AND CASH EQUIVALENTS

At December 31, 2009, the District had cash and cash equivalents (book balances) as follows:

Cash and cash equivalents	\$ 28,402
Time deposits	<u>167,764</u>
Total	<u>\$ 196,166</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits or the resulting bank balances must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 2009, the District had \$196,166 in deposits. These deposits were secured from risk by \$250,000 of federal deposit insurance.

4. CAPITAL ASSETS

The following is a summary of capital assets:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets:				
Land	\$ 25,000	\$ -	\$ -	\$ 25,000
Buildings	621,262	-	-	621,262
Trucks	1,489,275	-	152,516	1,336,759
Equipment	570,074	112,173	-	682,247
Total	<u>2,705,611</u>	<u>112,173</u>	<u>(152,516)</u>	<u>2,665,268</u>
Accumulated Depreciation	<u>(1,432,921)</u>	<u>(178,110)</u>	<u>74,190</u>	<u>(1,536,841)</u>
Capital assets, net	<u>\$ 1,272,690</u>	<u>(65,937)</u>	<u>\$ (78,326)</u>	<u>\$ 1,128,427</u>

5. LOUISIANA FIREFIGHTERS RETIREMENT

Substantially all employees of the District are members of the Louisiana Firefighters' Retirement System (the "Plan"). The Plan is a cost-sharing, multiple-employer defined benefit pension plan that is administered by an independent board of trustees.

Caddo Parish Fire District No. 8

Notes to the Financial Statements December 31, 2009

Membership in the Plan is mandatory for all full-time firefighters employed by a municipality, parish, or fire district that did not enact an ordinance prior to January 1, 1980, exempting itself from participation. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service, or at or after age 50 with at least 20 years of creditable service. Upon retirement members are entitled to a retirement benefit that is payable monthly for life. The monthly benefit is equal to three and one-third percent of their final average salary. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminated with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of service at termination) and receive the benefit accrued to their date of termination. The Plan also provides death and disability benefits. Benefits are established and amended by state statute.

The Plan issues an annual publicly available financial report that includes the financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804.

Members of the Plan are required by state statute to contribute 8 percent of their annual covered salary. The District is required to contribute an actuarially determined rate. The rate for the first half of 2009 was 12.5% and then 14% after July 1, 2009. The contribution requirements of plan members and the District are established and may be amended by state statute. As provided in Louisiana Revised Statute 11:103, the employer contributions to the Plan for the years ended December 31, 2009 and 2008 totaled \$20,155 and \$17,888, respectively.

6. CAPITAL LEASES

The District entered into a long-term capital lease for the purchase of fire trucks and other firefighting equipment. The debt service requirements to maturity for the lease are as follows:

Year Ended	Principle	Interest
2010	90,063	30,202
2011	93,861	26,403
2012	97,820	22,444
2013	101,946	18,318
2014	106,246	14,019
2015	110,727	9,537
2016	115,397	4,867
Total	<u>\$ 716,060</u>	<u>\$ 125,790</u>

Required Supplemental Information

Caddo Parish Fire District No. 8
Schedule 1
Schedule of General Government Expenditures – Budget
And Actual (GAAP Basis) – General Fund
For the Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Accounting and auditing	\$ 3,500	\$ 7,555	\$ 7,555	\$ -
Benefits and taxes	29,412	29,412	23,211	6,201
Capital outlay, net	124,764	124,764	122,079	2,685
Communications	2,772	2,772	2,789	(26)
Dues	500	500	1,671	(1,171)
Election			9,856	(9,856)
Fire prevention	1,600	1,600	574	1,026
Fuel	14,000	14,000	10,113	3,887
Insurance – Liability	44,188	44,188	35,700	8,488
Insurance – Work. Comp	43,068	43,068	43,068	-
Insurance – Health	32,026	32,026	34,026	(2,000)
Interest			33,862	(33,862)
Legal	500	500	528	(28)
Maintenance	34,000	34,931	28,989	5,942
Medical supplies	4,000	4,000	3,159	841
Miscellaneous	1,150	1,150	661	489
Office supplies	2,000	2,000	1,677	323
Salaries	156,480	156,480	146,160	10,320
Supplies	4,000	4,000	1,211	2,789
Tax roll preparation	21,844	21,844	22,014	(170)
Training	2,400	2,400	2,235	165
Travel	200	200		200
Uniforms	3,800	4,767	4,929	(162)
Utilities	16,700	16,700	16,691	9
Total general government expenditures	<u>\$ 542,904</u>	<u>\$ 548,857</u>	<u>\$ 552,767</u>	<u>\$ (3,910)</u>

The accompanying notes are an integral part of this statement.

Caddo Parish Fire District No. 8
Schedule 2
Per Diem Paid Board Members
For the Year Ended December 31, 2009

The schedule of per diem paid to commissioners was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The commissioner members of Caddo Parish Fire District No. 8 did not receive any per diem or other compensation for their service on the board during the years ended December 31, 2009 and 2008.

2009	2008
Whitlow Giles, President	Whitlow Giles, President
Marvin Cross, Treasurer	Marvin Cross, Treasurer
David Austin	David Austin
Claude Jackson	Mark Davis
Haywood Williamson	Claude Jackson
DeMario Thomas	Haywood Williamson

The accompanying notes are an integral part of this statement.

Other Reports

AGEE & AGEE, P.C.

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May 28, 2010

Board of Commissioners
Caddo Parish Fire District No. 8
Vivian, Louisiana

Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters based on an
Audit of Financial Statements Performed in
Accordance with Government Auditing Standards

We have audited the component unit financial statements of the Caddo Parish Fire District No. 8 (the "District"), a component unit of the Caddo Parish Commission, as of and for the year ended December 31, 2009, and have issued our report thereon dated May 28, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal controls.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weakness, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District' component unit financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of directors, management, and Caddo Parish Commission, and is not intended to be and should not be used by anyone other than these specified parties.


Agee & Agee, PC

Caddo Parish Fire District No. 8

**Status of Prior Audit Findings
For the Year Ended December 31, 2009**

Finding 2008-01

Condition:

The District has submitted their annual financial statements after the date that is allowed under State statute.

Current Status:

Report has been submitted on time for the year ended 2009.

Finding 2008-02

Condition:

On multiple occasions, the District failed to timely deposit employment taxes resulting in penalty and interest tax notices and payments.

Current Status:

District has still failed to make timely payments on employment taxes as of the year ending December 31, 2009.

Caddo Parish Fire District No. 8

Current Year Findings, Recommendations and Corrective Action Plan

For the Year Ended December 31, 2009

Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Caddo Parish Fire District No. 8.
2. No control deficiencies or material weaknesses were disclosed during the audit of the financial statement as noted in the report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. Instances of noncompliance were disclosed during the audit.
4. No separate management letter was issued.

Current Year Findings

Finding 2009-1

Condition:

The District was accruing employer payroll taxes at an incorrect rate for its employees.

Cause of Condition:

Personnel unfamiliar with changing the tax rate in the system.

Effect of Condition:

The District was paying in a higher rate than necessary as well as overstating its expense on the income statement.

Corrective Plan:

Personnel were taught the necessary steps involved in changing the rate as well as how to independently arrive at the appropriate value.

District Response:

No response deemed necessary.

Caddo Parish Fire District No. 8

**Current Year Findings, Recommendations and
Corrective Action Plan**

For the Year Ended December 31, 2009

Finding 2009-2

Condition:

Several live checks in the system had not been properly voided.

Cause of Condition:

A procedural error occurred in the handling of voided checks.

Effect of Condition:

The cash account was understated as well as an overstatement on several expense accounts.

Corrective Action Plan:

The checks would be voided in the system. Future instances would result in those checks being torn in half and placed in a separate file.

District Response:

We agree that further review was required. Chief Paulette would take the responsibility to insure that all future checks matched their corresponding invoice and any that needed to be voided would be handled appropriately.

Caddo Parish Fire District No. 8

**Current Year Findings, Recommendations and
Corrective Action Plan**

For the Year Ended December 31, 2009

Finding 2009-3

Condition:

Employee retirement garnishments were being withheld from paychecks without being sent into the managing fund.

Cause of Condition:

A misunderstanding occurred between the yearlong waiting period for state supplemental pay vs. the immediate payment into the state retirement plan.

Effect of Condition:

The District has assumed a liability that it is required to pay in immediately.

Corrective Action Plan:

The appropriate funds are deposited into the employees' accounts at the retirement fund.

District Response:

We agree that a payment would be made.